UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA

In re:

Dennis E. Hecker,

09-50779(RJK)

Debtor.

Chapter 7

APPLICATION FOR APPROVAL OF EMPLOYMENT OF ATTORNEY

- 1. Applicant Randall L. Seaver ("Trustee") is the trustee in this case.
- 2. Applicant believes that the employment of an attorney is necessary to represent or assist Applicant in carrying out his duties as trustee as follows: investigating and prosecuting claims and issues regarding prepetition transfers and other matters with respect to Alliance Bank, N.A. and others.
- 3. Ralph V. Mitchell ("Mitchell") of Lapp, Libra, Thomson, Stoebner & Pusch, Chartered ("LLTSP"), 120 South Sixth Street, Suite 2500, Minneapolis, MN 55402, 612-338-5815, is qualified by reason of practice and experience to render such representation or assistance.
- 4. Proposed compensation and reimbursement of expenses is as follows: \$350.00 per hour for Ralph V. Mitchell, \$210.00 per hour for Amy L. Schwartz, \$195.00 per hour for Tyler D. Candee, \$140.00 per hour for paralegal services, and the normal hourly rate for other attorneys in the firm. In addition, said compensation rates are subject to periodic adjustments.
- 5. Said professional has disclosed to the undersigned that he has reviewed the schedules and statement of financial affairs in this case and he and/or his firm have the following connections with the debtor(s), creditors, any other party-in-interest, their respective attorneys and accountants, the United States Trustee or any person employed in the Office of the United States Trustee:
 - a. LLTSP served as local counsel to the Unsecured Creditors Committee in the ARC Venture Holdings, Inc. Chapter 11 case, an affiliate of the Debtor, now converted to Chapter 7 and LLTSP claims an unpaid administrative expense claim related to said representation;
 - b. LLTSP was local counsel to an unsecured creditor in the Chapter 11 case of Steamboat Springs Rental and Leasing Co., Inc., an affiliate of ARC Venture Holdings, Inc. and the Debtor for the limited purpose of filing a proof of claim;
 - c. LLTSP currently represents an individual who is a co-shareholder with the Debtor in ITR Group, Inc., a Minnesota corporation with an operating business not in bankruptcy. This individual seeks to purchase the estate's interest in Hecker's

stock in ITR Group, Inc.;

- d. Mitchell has been consulted but not yet retained by the principals of two affiliated limited liability companies which operate Champps Sports Café in New Brighton and Des Moines. Hecker claims on his Schedule B that these two entities owe Hecker \$43,889.00;
- e. Mitchell has been consulted but not retained by Maria Romano for possible representation;
- f. In the past while working at other firms, Mitchell, through such other firms, has represented TCF National Bank, and U.S. Bank fka First Bank, both creditors in this case but Mitchell has no current representations of these creditors;
- g. LLTSP currently represents Wells Fargo Bank, a creditor in this case, in unrelated matters;
- LLTSP has represented Community National Bank, a creditor in this case but has no current representations;
- 6. Applicant will not request that LLTSP or Mitchell represent him in any matters related to ARC Venture Holding, Inc.; Steamboat Springs Rental & Leasing Co. Inc.; ITR Group, Inc.; Champps Sports Café in New Brighton or Des Moines; Maria Romano or US Renta-Car; or Wells Fargo Bank.
 - 7. LLTSP has made the following additional disclosures:
 - a. Two shareholders of LLTSP, Julia A. Christians and John R. Stoebner, are Chapter 7 panel trustees;
 - LLTSP has in the past represented debtors and/or creditors in cases in which the Applicant was the trustee; and
 - c. The trustee in this case may also represent parties in bankruptcy cases for which either of the two trustees in LLTSP may serve as trustee.

WHEREFORE, Applicant I	orays that the Court approve the employment of LLTSP and
Ralph V. Mitchell.	lle.

Dated: July , 2009

Randall L. Seaver, Trustee

12400 Portland Avenue South, Ste. 132

Burnsville, MN 55337

(952) 890-0888

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VERIFIED STATEMENT PURSUANT TO FEDERAL RULE 2014(a)

I, Ralph V. Mitchell of Lapp, Libra, Thomson, Stoebner & Pusch, Chartered ("LLTSP"), the professional named in the application for employment on behalf of the above named bankruptcy estate, declares under penalty of perjury the following:

- 1. Except as disclosed herein, neither LLTSP nor I hold or represent any interest adverse to the estate and am disinterested with respect to the matter on which I am to be employed, as required by 11 U.S.C. § 327(e).
- 2. I do not have any connections to the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the offices of the United States Trustee, except for the following
 - a. LLTSP served as local counsel to the Unsecured Creditors Committee in the ARC Venture Holdings, Inc. Chapter 11 case, an affiliate of the Debtor, now converted to Chapter 7 and LLTSP claims an unpaid administrative expense claim related to said representation;
 - b. LLTSP was local counsel to an unsecured creditor in the Chapter 11 case of Steamboat Springs Rental and Leasing Co., Inc., an affiliate of ARC Venture Holdings, Inc. and the Debtor for the limited purpose of filing a proof of claim;
 - c. LLTSP currently represents an individual who is a co-shareholder with the Debtor in ITR Group, Inc., a Minnesota corporation with an operating business not in bankruptcy. This individual seeks to purchase the estate's interest in Hecker's stock in ITR Group, Inc.;

- d. I have been consulted but not yet retained by the principals of two affiliated limited liability companies which operate Champps Sports Café in New Brighton and Des Moines. Hecker claims on his Schedule B that these two entities owe Hecker \$43,889.00;
- e. I have been consulted but not retained by Maria Romano for possible representation;
- f. In the past while working at other firms, I, through such other firms, have represented TCF National Bank, and U.S. Bank fka First Bank, both creditors in this case but neither I nor LLTSP have any current representations of these creditors;
- d. LLTSP currently represents Wells Fargo Bank, a creditor in this case, in unrelated matters;
- e. LLTSP has represented Community National Bank, a creditor in this case but has no current representations;
- 8. Neither LLTSP nor I will accept representation of Applicant in any matters related to ARC Venture Holding, Inc.; Steamboat Springs Rental & Leasing Co. Inc.; ITR Group, Inc.; Champps Sports Café in New Brighton or Des Moines; Maria Romano or US Renta-Car; or Wells Fargo Bank.
- 9. Two shareholders of LLTSP, Julia A. Christians and John R. Stoebner, are Chapter 7 panel trustees.
- 10. LLTSP has in the past represented debtors and/or creditors in cases in which the Applicant was the trustee.
- 11. The trustee in this case may also represent parties in bankruptcy cases for which either of the two trustees in LLTSP may serve as trustee.

Dated: July 28, 2009 By: <u>/e/ Ralph V. Mitchell</u>

Ralph V. Mitchell
Lapp, Libra, Thomson

Lapp, Libra, Thomson, Stoebner & Pusch, Chartered 120 South Sixth Street, Suite 2500

Minneapolis, MN 55402

612-338-5815

UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA

BKY No. 09-50779
Chapter 7
Order
bra, Thomson, Stoebner & Pusch as attorneys of the
d on the Application, the Recommendation of the
provisions of Title 11, United States Code, §327,
essional employment applied for is hereby approved
provided by Title 11, United States Code, §328.
Robert J. Kressel U.S. Bankruptcy Judge